

Mayor and Council Communication

DATE: 06/13/23

M&C FILE NUMBER: M&C 23-0441

LOG NAME: 04AUTHORIZE AMENDMENT TO CITY SECRETARY CONTRACT 55457 SHI GOV

SUBJECT

(ALL) Authorize a Contract Amendment to City Secretary Contract No. 55457 with SHI Government Solutions, Inc. to Increase the Annual Amount by \$620,000.00 for the Purchase of Microsoft Software Upgrade Licenses Using a Cooperative Agreement for a Total Annual Amount of \$2,746,387.00 for the Information Technology Solutions Department

RECOMMENDATION:

It is recommended that the City Council authorize a contract amendment to City Secretary Contract No. 55457 with SHI Government Solutions, Inc. to increase the annual amount by \$620,000.00 for the purchase of Microsoft software upgrade licenses using State of Texas Department of Information Resources DIR-TSO-4092 for a total annual amount of \$2,746,387.00 for the Information Technology Solutions Department.

DISCUSSION:

On March 9, 2021, Mayor and Council Communication (M&C) 21-0168 authorized execution a Purchase Agreement with SHI Government Solutions, Inc. for an annual amount of \$1,406,387.00 with two one-year renewal options through March 31, 2024. The State of Texas Department of Information Resources (DIR) agreement allowed IT Solutions to purchase Microsoft software licenses, maintenance, and related services for desktops, laptops, tablets, smartphones, servers, and databases under a Microsoft Enterprise Agreement (EA) for the foundation Microsoft products used by most employees.

On February 28, 2023, M&C 23-0139 authorized an amendment to City Secretary Contract No. (CSC) 55457 to increase the annual amount to \$2,126,387.00.

This M&C requests an annual increase of \$620,000.00 to purchase additional Microsoft upgrade licenses for a total annual amount of \$2,746,387.00. The upgrade licenses will provide a better level of service to the City's Knowledge worker population, allow for ease of administration, and increased access to Microsoft Office suite of tools.

Funding is budgeted in the ITS Disaster Relief Department's Grants Capital Projects Federal Fund for the purpose of funding the ARPA for ITS Initiatives project, as appropriated.

COOPERATIVE PURCHASE: Pricing for Microsoft software products and services is provided under Texas Department of Information Resources (DIR) contract DIR-TSO-4092. State law provides that a local government purchasing an item under a cooperative purchasing agreement satisfies any state law requiring that the local government seek competitive bids for the purchase of items. Cooperative contracts have been competitively bid to increase and simplify the purchasing power of government entities.

SUCCESSOR CONTRACTS: The City will initially use DIR-TSO-4092 to make purchases authorized by this M&C. DIR-TSO-4092 is set to expire February 21, 2024. If DIR-TSO-4092 is extended, this M&C authorizes the City to purchase similar services under the extended contract. If DIR-TSO-4092 is not extended, but DIR executes a new cooperative contract with SHI Government Solutions, Inc. and with substantially similar terms, this M&C authorizes the City to purchase services under the new DIR contract. If this occurs, in no event will the City continue to purchase goods and services under the new agreement for more than three (3) years without seeking Council approval.

ADMINISTRATIVE CHANGE ORDER: An administrative change order or increase may be made by the City Manager up to the amount allowed by relevant law and the Fort Worth City Code and does not require specific City Council approval as long as sufficient funds have been appropriated.

BUSINESS EQUITY: A goal is not assigned when purchasing from an approved purchasing cooperative or public entity.

AGREEMENT TERMS: Upon approval of this recommendation, the agreement shall remain in effect in accordance with DIR-TSO-4092 or applicable successive DIR contracts for the same services and so long as funds are appropriated as part of the ITS operating budget.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are available in the current capital budget, as previously appropriated, in the Grants Cap Projects Federal Fund for the ARPA for ITS Initiatives project to support the approval of the above recommendation and execution of the amendment to the contract. Prior to expenditures being incurred, the Information Technology Solutions Department has the responsibility of verifying the availability of funds.

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